



DEPARTMENT OF THE TREASURY
WASHINGTON D C 20220

Case No. CU-75835

Vincent N Palladino, Esquire
Ropes & Gray LLP
1251 Avenue of the Americas
New York, NY 10020

JUL 28 2006

Dear Mr Palladino

This is in response to your letter dated April 7, 2006, on behalf of Empresa Cubana Exportadora de Alimentos y Productos Varios ("Cubaexport"), requesting a license authorizing transactions related to the renewal at the United States Patent and Trademark Office of Registration No. 1,031,651 of HAVANA CLUB & Design (the "HAVANA CLUB trademark")

Pursuant to the Cuban Assets Control Regulations, 31 C.F.R. Part 515, administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), renewal of the HAVANA CLUB trademark under these circumstances would be prohibited unless specifically licensed

OFAC has been engaged in consultation with relevant agencies in the U.S. Government, including the Department of State ("State"), on this issue. We have received guidance from State informing us that it would be inconsistent with U.S. policy to issue a specific license authorizing transactions related to the renewal of the HAVANA CLUB trademark. Accordingly, your request is hereby denied.

Sincerely,

J Robert McBrien
Acting Director
Office of Foreign Assets Control

cc Commissioner for Trademarks, USPTO

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DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

FAC No. CU-268932

APR 6 2006

Vincent N. Palladino
Ropes & Gray LLP
1251 Avenue of the Americas
New York, NY 10020-1104

Re: License No. CU-74488

Dear Mr. Palladino:

The purpose of this letter is to clarify that License No. CU-74488, issued by the Office of Foreign Assets Control ("OFAC") on March 4, 2005, does not authorize Ropes & Gray LLP to pay a filing fee to the U.S. Patent and Trademark Office ("PTO") for renewal of Registration No. 1,031,651 (the "HAVANA CLUB trademark") on behalf of Empresa Cubana Exportadora de Alimentos y Productos Varios d/b/a Cubaexport ("Cubaexport"). In a December 13, 2006, letter to PTO, Ropes & Gray LLP applied for renewal of the HAVANA CLUB trademark and requested that PTO deduct the filing fee from a Ropes & Gray LLP deposit account, arguing that License No. CU-74488 authorizes payment of the filing fee.

License No. CU-74488 pertains to a cancellation proceeding. It states that it is issued "Pursuant to an application dated January 26, 2005." The authorization section of License No. CU-74488, quoted in full (with emphasis added), states.

All transactions are authorized to enable the Licensee [Ropes & Gray LLP], in connection [with] the legal representation of Empresa Cubana Exportadora de Alimentos y Productos Varios ("Cubaexport"), and Havana Club Holdings S.A. in legal proceedings in the United States related to the HAVANA CLUB trademark, as described in the application, to receive payment for such services and reimbursement for expenses related to such services from Cuban nationals through banking channels, provided the funds are routed from Cuba to the United States via a third-country bank.

The only legal proceeding described in your firm's January 26, 2005 application was "a complaint [] currently pending in the U.S. District Court for the District of Columbia against our clients Cubaexport and Havana Club Holdings S.A." This complaint is an appeal from the dismissal of a cancellation proceeding before the United States Trademark Trial and Appeal Board concerning the HAVANA CLUB trademark.

In your letter to PTO dated December 13, 2005, you present a number of arguments why the renewal fee for the HAVANA CLUB trademark should be allowed to

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be paid, including the following: (1) paying the fee is necessary to maintain the *status quo* by maintaining the HAVANA CLUB trademark registration, (2) failure to pay the fee will result in cancellation of the registration, (3) if the registration is not maintained, the District Court will be denied an opportunity to reach a reasoned decision in the pending litigation, and (4) failure to maintain the registration will effectively overrule the decision of the United States Trademark Trial and Appeal Board while it is on appeal. These arguments do not extend the limited authorization contained in License No. CU-74488, which covers only those transactions in connection with the pending District Court litigation, to those transactions that are external to the pending District Court litigation, such as the payment of a renewal fee to initiate a separate action before the PTO.

In your letter of December 13, 2005, you also argue that the failure of the District Court to reach a reasoned decision, which allegedly will result from the failure to pay the trademark registration renewal fee, will deprive Cubaexport of the representation that OFAC has authorized Ropes & Gray LLP to provide. We disagree with that argument. In issuing License No. CU-74488, OFAC authorized Ropes & Gray LLP to engage in transactions necessary to provide Cubaexport representation only in the litigation pending before the District Court. OFAC is not in a position to gauge the extent to which any other administrative or judicial proceedings may have some effect on that litigation, and, in any event, License No. CU-74488 does not purport to authorize any transactions related to such other proceedings.

We note that this discussion does not in any way prejudice the ability of Ropes & Gray LLP to request separate authorization from OFAC to engage in transactions related to the renewal of the HAVANA CLUB trademark registration at the PTO. If you wish to request such a specific license or further guidance from OFAC, you may do so by writing directly to OFAC's Licensing Division. Should you have any further questions, please contact the Deputy Chief Counsel (Foreign Assets Control) at 202-622-2410.

Sincerely,

Barbara C. Hammerle

Barbara C. Hammerle
Acting Director
Office of Foreign Assets Control

cc: Commissioner for Trademarks, PTO

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